

# DESENIIO GROUP



REPORT FOR THE PERIOD  
JANUARY - MARCH 2024



**ART PRINTS**  
60%

Market leading product assortment of about 9,000 affordable and trendy designs, of which a significant share is proprietary to Desenio.



**FRAMES**  
35%

Frames are offered in various wooden and metal finishes in the same sizes as posters.



**ACCESSORIES**  
5%

Other accessories include products such as mat boards, picture ledges, art clips, and other printed products.

## Who we are

Desenio is the leading affordable wall art e-commerce company in Europe, with a growing presence in North America. We offer our customers a unique and curated assortment of about 9,000 designs as well as frames and accessories in 37 countries via 44 local websites. With a proven strategic playbook for geographic expansion, we're steadily expanding to new markets. We create first order profitability through a social media and search driven customer acquisition model.

### WHAT WE STAND FOR

Desenio Group's business model is based on a simple but ambitious mission; we help our customers to create beautiful homes through affordable wall art based on current trends. We have a disruptive approach to a large global design category with significant expected growth, providing industrial and data driven creativity at scale, generating proprietary designs.

### OUR WORKPLACE CULTURE

Familiarity in a truly global environment is at the heart of Desenio Group's workplace culture. As a workforce comprising many nationalities, we leverage our collective understanding of local markets, while at the same time uniting in one common set of values and goals. We Stand Together as one team, Lead by Example and take individual initiative, have persistent Customer Dedication, and make sure to Always be Closing any task we start.

### AGILE ORGANIZATION

We adapt our organization to prevailing market conditions to be ready and take advantage of future growth potential. The focus is on ensuring cash flow and profitability.

### NEW FRONTIERS

In addition to profitability, we also focus on selectively breaking new ground in future key markets, such as North America.

# SUMMARY

During Q1, net sales decreased by 12.1% to SEK 228.9 million and adjusted EBITA was SEK 22.2 million. Cash flow from operating activities amounted to SEK -19.1 million.

## FIRST QUARTER

- Net sales decreased by 12.1% to SEK 228.9 (260.3) million.
- Gross margin for the quarter was 83.8% (84.3%).
- Operating profit (EBIT) amounted to SEK 19.0 (33.1) million, corresponding to an operating margin of 8.3% (12.7%).
- Adjusted EBITA, excluding impairment of intangible assets and items affecting comparability, was SEK 22.2 (42.1) million, corresponding to an EBITA margin of 9.7% (16.2%).
- Profit before tax was SEK -3.9 (9,2) million.
- Cash flow from operating activities amounted to SEK -19.1 (42.6) million.
- Earnings per share was SEK -0.05 (0.04) before dilution and SEK -0.05 (0.04) after dilution.

## SIGNIFICANT EVENTS DURING AND AFTER THE PERIOD

In the quarter, a reorganization was carried out, resulting in the company terminating 10 percent of roles in Sweden, (equivalent to 16 full-time positions).

## FINANCIAL SUMMARY

SEKm unless otherwise indicated	Q1			R12	Jan-Dec
	2024	2023	Δ %	23/24	2023
Net sales	228.9	260.3	-12.1%	935.8	967.2
Net sales growth, %	-12.1	-9.5	-2.6 pp	-0.1	0.2
Gross margin, % <sup>1</sup>	83.8	84.3	-0.5 pp	83.8	84.0
EBITA <sup>1</sup>	19.0	42.1	-54.9%	-163.4	-140.3
EBITA margin, % <sup>1</sup>	8.3	16.2	-7.9 pp	-17.5	-14.5
Adjusted EBITA <sup>1</sup>	22.2	42.1	-47.3%	89.8	109.7
Adjusted EBITA margin, % <sup>1</sup>	9.7	16.2	-6.5 pp	9.6	11.3
Earnings per share	-0.05	0.04	-233.9%	-1.99	-1.91
Cash flow from operating activities <sup>1</sup>	-19.1	42.6	-144.8%	-18.1	43.6
Net debt	996.2	959.9	3.8%	996.2	973.6
Orders, '000	407	472	-13.8%	598	1 788
Active Customers, '000 <sup>1</sup>	2 631	3 086	-14.7%	2 314	2 768

<sup>1</sup> The figure is an Alternative Performance Measure (APM) and is described in Definitions of performance measures.

# CEO'S COMMENTS

*The market continued to be weak during the first quarter, which we commented on as part of the year-end report in February, and net sales decreased by just over 12% to SEK 229 million.*

In the Nordics, net sales decreased by 8%, in Europe by 12%, in the rest of Europe by 18% and in the rest of the world by 11% compared to the corresponding period last year. In North America, which is included in the rest of the world, sales decreased by 5%.

The background to the weak development is partly due to a weak market within our categories, and partly due to less impactful marketing efforts than we as a leading company in our segment can be expected to have. During the quarter, we reduced our marketing cost in relation to the corresponding quarter last year. Marketing cost in relation to net sales, however, continued to be at a higher level than we desire in the long-term and amounted to 31.2%, compared to 28.5% in Q1, 2023. This development is of course unsatisfactory, and going forward our focus is on ensuring our marketing efforts are more impactful, thereby increasing profitability.

Our continued focus on streamlining operations resulted in a reduction of the fulfilment cost ratio from 26.4% to 26.0%. Additionally, during the quarter, we reduced the number of employees in Sweden by 10 percent, corresponding to 16 full-time positions.

Adjusted EBITA amounted to SEK 22.2 (42.1) million, corresponding to an adjusted EBITA margin of 9.7%. Adjusted EBITA excludes the cost for personnel layoffs that we carried out during the quarter, which amounted to SEK 3.2 million.

The operating cash flow during the quarter amounted to -19.1 SEK (42.6) million and our cash decreased by SEK 24 million compared to the end of the previous quarter. Although we managed to reduce inventory by almost SEK 7 million compared to the previous quarter, supplier and VAT liabilities decreased by SEK 25 million because of the lower net sales. As of March 31, 2024, cash and cash equivalents amounted to SEK 126.6 million.



Our dialogue with the main owners and Desenio Group's bondholders continued during the quarter, with the aim of finding a solution to the refinancing of the SEK 1.1 billion issued bonds that mature in December 2024. Discussions are ongoing with the goal of finding a solution that is acceptable to both shareholders and bondholders.

It is worth repeating that Desenio demonstrates relatively good profitability despite the negative sales development and despite the weak market. We are a leader in our category and have a strong brand presence in our main markets.

Our main goal now is to return to sustainable growth, leveraging our strong market position in Europe and to continue building our business in North America, combined with a long-term sustainable balance sheet.

**FREDRIK PALM**  
President and CEO

# THE GROUP'S DEVELOPMENT

## NET SALES

### First quarter

Net Sales in the quarter decreased by 12.1% to SEK 228.9 (260.3) million.

## PROFITABILITY AND MARGINS

### First quarter

The gross margin for the quarter decreased to 83.8% (84.3%), driven by product mix. Operating profit (EBIT) for the quarter amounted to SEK 19.0 (33.1) million. Adjusted EBITA during the quarter amounted to SEK 22.2 (42.1) million and the adjusted EBITA-margin amounted to 9.7% (16.2%) compared to the corresponding quarter last year. Items affecting comparability amounted to SEK 3.2 (0.0) million and were in relation to salary cost for dismissed personnel taken in Q1.

The cost ratio for fulfilment costs decreased from 26.4% to 26.0% due to further streamlining our logistics structure. Marketing cost ratio increased from 28.5% in the first quarter of 2023 to 31.2% in the first quarter of 2024. In the same period, the cost ratio for administration costs increased from 14.1% in the to 17.5%. Excluding the redundancies that were expensed during the quarter, the administration costs are in absolute terms in line with the corresponding quarter last year.

## CASH FLOW AND FINANCIAL POSITION

### First quarter

Cash flow from operating activities amounted to SEK -19.1 (42.6) million for the quarter. Tax paid amounted to SEK 8.6 million, where SEK 2.3 million refers to preliminary tax for 2023, SEK 4.7 million refers to preliminary tax for 2024 and SEK 1.6 million refers to the remaining tax for 2022. The cash flow from changes in working capital was SEK -14.6 million, where the inventory decreased by SEK 6.7 million and changes in current receivables/liabilities had a negative effect on cash flow with a net SEK 21.3 million, related to decreased current liabilities driven by reduced accounts payables and VAT liabilities.

## INVESTMENTS

### First quarter

Net investments in tangible assets during the quarter amounted to SEK 0.2 (0.0) million and refers to investments in a transport management system.

## FINANCIAL POSITION AND FINANCING

As of 31 March 2024, equity amounted to SEK -53.6 million, compared to SEK -46.2 million at the beginning of the year. As of 31 March 2024, cash and cash equivalents amounted to SEK 126.6 million, compared to SEK 149.9 million at the

beginning of the financial year. Net debt amounted to SEK 996.2 (959.9) million on 31 March 2024, compared to SEK 973.6 million at the beginning of the period.

Desenio Group AB (publ) issued a Senior Secured bond in December 2020 totalling SEK 1,100 million in connection with the acquisition of Poster Store. The bond bears a floating interest rate of STIBOR 3m +5,5% and matures in December 2024. The maximum amount of the bond is SEK 1,800 million. The bond has no current covenants except when raising new debt or, for example, in the event of a share dividend. In June 2023 Desenio Group repurchased the company's own corporate bonds over the market, corresponding to 3.2% of the total outstanding bond loan (nominal value SEK 35 million). The purchases were made at an average repurchase amount of 70% of nominal value, for a total amount corresponding to SEK 24.5 million.

## SIGNIFICANT EVENTS JANUARY - MARCH

In the quarter, a reorganization was carried out, resulting in the company terminating 10 percent of roles in Sweden, (equivalent to 16 full-time positions).

## SIGNIFICANT EVENTS AFTER THE PERIOD

No significant events have occurred after the end of the period that are expected to have a substantial effect on Desenio Group.

## REVIEW BY AUDITORS

This report has not been reviewed by the auditors.

## OWNERSHIP AND, SHARES

Desenio Group AB's (publ) share is listed on the First North Growth Market under the symbol DSNO and has the ISIN code SE0015657853. At the last trading day of the period, the share price was SEK 0.37. The highest closing price, SEK 0.54, was quoted in January and the lowest closing price, SEK 0.27 was quoted in March. During the quarter, 9 894 865 shares were traded. As of 31 March, Desenio Group had 3,050 shareholders, of which the largest were Verdane (25.2%), MBHB Holding AB (9.9%), and Hars Holding AB (9.5%). As of 31 March, the number of issued shares was 149,082,510. All shares were ordinary shares.

## NUMBER OF EMPLOYEES

The average number of employees during the quarter was 130 (139) which corresponds to 7% fewer employees compared to the corresponding quarter last year.

## RISKS AND UNCERTAINTIES

The Group's significant risk and uncertainty factors include financial risks such as market risk (consisting of currency risk

and interest rate risk), credit risk and liquidity risk, as well as operational and business risks. For more information on risks and risk management, please refer to Desenio's annual report for 2022.

#### ALTERNATIVE PERFORMANCE MEASURES (APM)

In this quarterly report, Desenio reports certain performance measures, including key figures which are not defined in accordance with IFRS. The company believes that these key figures are an important complement, as they enable a better evaluation of the company's financial trends. These financial ratios shall not be considered independent or considered to replace performance ratios that have been calculated in accordance with IFRS. In addition, such key

figures, as defined by Desenio, should not be compared with other key figures with similar names used by other companies. This is because the above key figures are not always defined in the same way and other companies can calculate them in a different way than Desenio. The measure Adjusted EBITA is relevant to give an indication of the Company's underlying results generated by operating activities. The company has items affecting comparability in 2024 related to salary costs for dismissed personnel. Items affecting comparability in 2023 are related to goodwill impairment. Other definitions of alternative performance measures can be found in the section Definitions of performance measures.

	Q1	
	2024	2023
SEKm unless otherwise indicated		
<b>EBIT</b>	<b>19.0</b>	<b>33.1</b>
Amortizations	-	9.0
<b>EBITA</b>	<b>19.0</b>	<b>42.1</b>
One-off costs	3.2	-
<b>Adjusted EBITA</b>	<b>22.2</b>	<b>42.1</b>
Non-current liabilities	-	1 085.2
Non-current lease liabilities	45.9	47.2
Current liabilities	1 059.0	-
Current lease liabilities	17.9	20.9
<b>Cash and cash equivalents</b>	<b>-126.6</b>	<b>-193.4</b>
<b>Net debt</b>	<b>996.2</b>	<b>959.9</b>



# FINANCIAL SUMMARY

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

SEKm unless otherwise indicated	Q1		R12	Full-year
	2024	2023	23/24	2023
Net sales	228.9	260.3	935.8	967.2
Cost of goods sold	-37.0	-40.9	-151.2	-155.1
<b>Gross profit</b>	<b>191.9</b>	<b>219.4</b>	<b>784.6</b>	<b>812.1</b>
<b>OPERATING COSTS</b>				
Fulfilment costs	-59.6	-68.6	-253.5	-262.5
Marketing costs	-71.5	-82.5	-313.6	-324.6
Admin & other costs	-40.0	-36.7	-149.6	-146.3
Other operating income	1.7	6.1	12.0	16.4
Other operating costs	-3.5	-4.6	-269.0	-270.1
<b>Operating profit</b>	<b>19.0</b>	<b>33.1</b>	<b>-189.1</b>	<b>-175.0</b>
<b>FINANCIAL INCOME AND EXPENSES</b>				
Financial income	7.4	0.8	32.1	25.5
Financial expenses	-30.3	-24.7	-129.7	-124.1
Net financial items	-22.9	-23.9	-97.6	-98.6
<b>PROFIT/LOSS BEFORE TAX</b>	<b>-3.9</b>	<b>9.2</b>	<b>-286.7</b>	<b>-273.6</b>
Income tax	-3.6	-3.6	-10.6	-10.6
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>-7.5</b>	<b>5.6</b>	<b>-297.3</b>	<b>-284.2</b>
<b>EARNINGS PER SHARE</b>				
Basic	-0.05	0.04	-1.99	-1.91
Diluted	-0.05	0.04	-1.99	-1.91
<b>Number of outstanding shares at the end of the reporting period</b>				
<b>– basic (SEK)</b>	<b>149 082 510</b>	<b>149 082 510</b>	<b>149 082 510</b>	<b>149 082 510</b>
– diluted (SEK)	149 082 510	149 082 510		149 082 510
Average number of outstanding shares Q9				
<b>– basic (SEK)</b>	<b>149 082 510</b>	<b>149 082 510</b>	<b>149 082 510</b>	<b>149 082 510</b>
– diluted (SEK)	149 082 510	149 082 510		149 082 510

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION – IN SUMMARY

	31 Mar 2024	31 Mar 2023	31 Dec 2023
SEKm unless otherwise indicated	2024	2023	2023
Goodwill	584.3	834.3	584.3
Trademarks	429.0	429.0	429.0
Other intangible assets	4.0	30.3	4.5
Tangible assets	17.6	21.3	18.5
Right-of-use asset	60.2	62.8	61.8
Financial assets	5.2	7.0	7.2
Inventories	43.0	55.5	49.7
Current receivables	37.3	19.5	32.3
Cash and cash equivalents	126.6	193.4	149.9
<b>Total assets</b>	<b>1 307.2</b>	<b>1 653.1</b>	<b>1 337.2</b>
Equity	-53.6	244.1	-46.2
Provisions	88.4	93.3	88.4
Non-current liabilities	0.0	1 085.2	0.0
Non-current lease liabilities	45.9	47.2	49.2
Current lease liabilities	17.9	20.9	16.5
Current liabilities	1 208.6	162.4	1 229.3
<b>Total equity and liabilities</b>	<b>1 307.2</b>	<b>1 653.1</b>	<b>1 337.2</b>





## CONSOLIDATED STATEMENT OF CASH FLOW

SEKm	Q1		R12	Full-year
	2024	2023	23/24	2023
<b>CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL</b>				
Profit after financial items	-3.9	9.2	-286.7	-273.7
Adjustments for non-cash items	10.7	16.9	303.3	309.6
Paid income tax	-8.6	-12.3	-29.0	-32.7
<b>CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL</b>	<b>-1.8</b>	<b>13.8</b>	<b>-12.4</b>	<b>3.2</b>
<b>CASH FLOW FROM CHANGES IN WORKING CAPITAL</b>				
Changes in inventory	6.7	18.5	12.5	24.3
Changes in current assets	0.7	0.1	-3.1	-3.7
Changes in current liabilities	-24.7	10.2	-15.1	19.8
<b>Cash flow from changes working capital</b>	<b>-17.3</b>	<b>28.8</b>	<b>-5.7</b>	<b>40.4</b>
	-	-	-	-
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>-19.1</b>	<b>42.6</b>	<b>-18.1</b>	<b>43.6</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Investments in fixed assets	-0.2	-	-2.3	-2.1
Investments in intangible assets	-	-	-	-
Investments in lease assets	-	-	-	-
Change in financial assets	2.0	0.6	1.7	0.3
Acquisition of subsidiaries, net liquidity effect	-	-	-	-
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>1.8</b>	<b>0.6</b>	<b>-0.6</b>	<b>-1.8</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Change in provisions	-	-	-	-
Warrants	-	-	-	-
Change in loans	-	-	-24.5	-24.5
Repayment and interest for lease liability	-6.0	-5.5	-23.6	-23.1
Dividend paid to the parent company's shareholders	-	-	-	-
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>-6.0</b>	<b>-5.5</b>	<b>-48.1</b>	<b>-47.6</b>
Cash flow for the period	-23.3	37.7	-66.8	-5.8
Currency exchange gains/losses in cash and cash equivalents	-	-	-	-
Cash and cash equivalents beginning of period	149.9	155.7	193.4	155.7
<b>CASH AND CASH EQUIVALENTS END OF PERIOD</b>	<b>126.6</b>	<b>193.4</b>	<b>126.6</b>	<b>149.9</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEKm unless otherwise indicated	Q1		Full-year
	2024	2023	2023
<b>Opening balance</b>	<b>-46.2</b>	<b>238.5</b>	<b>238.5</b>
Total comprehensive income for the period	-7.5	5.6	-284.2
New share issue, net	-	-	-
Warrants	-	-	-
Dividend	-	-	-
Translation difference	0.1	-	-0.5
<b>Closing balance</b>	<b>-53.6</b>	<b>244.1</b>	<b>-46.2</b>

## GROUP KEY PERFORMANCE INDICATORS (KPIs)

SEKm unless otherwise indicated	Q1		R12	Jan-Dec
	2024	2023	23/24	2023
Net sales	228.9	260.3	935.8	967.2
Net sales growth, %	-12.1	-9.5	-0.1	0.2
Gross margin, % <sup>1</sup>	83.8	84.3	83.8	84.0
Fulfilment cost ratio, % <sup>1</sup>	26.0	26.4	27.1	27.1
Marketing cost ratio, % <sup>1</sup>	31.2	28.5	31.0	30.2
Admin & other cost ratio, % <sup>1</sup>	17.5	14.1	16.0	15.1
Operating profit (EBIT)	19.0	33.1	-189.1	-175.0
Operating profit (EBIT) margin, %	8.3	12.7	-20.2	-18.1
EBITA <sup>1</sup>	19.0	42.1	-163.4	-140.3
EBITA margin, % <sup>1</sup>	8.3	16.2	-17.5	-14.5
Adjusted EBITA <sup>1</sup>	22.2	42.1	89.8	109.7
Adjusted EBITA margin, % <sup>1</sup>	9.7	16.2	9.6	11.3
EBITDA <sup>1</sup>	25.6	48.2	-137.9	-115.2
Earnings per share	-0.05	0.04	-1.99	-1.91
Cash flow from operating activities	-19.1	42.6	-18.1	43.6
Capital expenditures <sup>2</sup>	0.2	0.0	2.2	2.1
Net debt <sup>1</sup>	996.2	959.9	996.2	973.6
Orders, '000	407	472	1 723	1 788
Average Order Value, SEK	595	562	598	565
Active Customers, '000 <sup>1</sup>	2 631	3 086	2 314	2 768

<sup>1</sup>The figure is an Alternative Performance Measure (APM) and is described in Definitions of performance measures.

<sup>2</sup> Excluding leases.

## PARENT COMPANY INCOME STATEMENT

SEKm unless otherwise indicated	Q1		Full-year
	2024	2023	2023
Net sales	2.8	3.1	13.7
Cost of goods sold	-	-	-
<b>Gross profit</b>	<b>2.8</b>	<b>3.1</b>	<b>13.7</b>
<b>OPERATING COSTS</b>			
Fulfilment costs	-	-	-
Marketing costs	-	-	-
Admin & other costs	-4.7	-5.1	-23.0
Other operating income	-	3.3	7.3
Other operating costs	-	-1.0	-6.2
<b>Operating profit</b>	<b>-1.9</b>	<b>0.3</b>	<b>-8.2</b>
Write-down of shares in subsidiaries	-	-	-250.0
<b>FINANCIAL INCOME AND EXPENSES</b>			
Financial income	2.8	0.4	14.5
Financial expenses	-29.3	-24.9	-111.8
<b>Net financial items</b>	<b>-26.5</b>	<b>-24.5</b>	<b>-97.3</b>
Group contributions	-	-	109.1
<b>PROFIT/LOSS BEFORE TAX</b>	<b>-28.4</b>	<b>-24.2</b>	<b>-246.4</b>
Income tax	-	-	-16.2
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>-28.4</b>	<b>-24.2</b>	<b>-262.6</b>

## PARENT COMPANY STATEMENT OF FINANCIAL POSITION – IN SUMMARY

SEKm unless otherwise indicated	31 Mar	31 Mar	31 Dec
	2024	2023	2023
Tangible assets	-	0.1	0.1
Financial assets	1 156.3	1 406.3	1 156.3
Current receivables	52.9	112.8	62.6
Cash and cash equivalents	11.0	10.4	10.7
<b>Total assets</b>	<b>1 220.2</b>	<b>1 529.5</b>	<b>1 229.7</b>
Equity	123.0	389.7	151.3
Provisions	-	-	-
Non-current liabilities	-	1 085.2	-
Current liabilities	1 097.2	54.6	1 078.4
<b>Total assets</b>	<b>1 220.2</b>	<b>1 529.5</b>	<b>1 229.7</b>

## 1. ACCOUNTING PRINCIPLES

The Condensed Consolidated Interim Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting and applicable parts of the Annual Accounts Act. 2021 was Desenio's first year reporting according to IFRS (EU) and a full account of the groups accounting principles and details about the transitions to IFRS can be found in the annual report 2021. Disclosures in accordance with IAS 34. 16A are disclosed not only in the financial statements and their notes but also in other parts of the interim report. The Interim Financial Statements or the Parent Company have been prepared in accordance with Chapter 9 Interim report in the Annual Accounts Act.

## 2. OPERATING SEGMENTS AND DISAGGREGATION OF REVENUE

The Group's operations are reviewed by geography as a basis for segments. The review includes net sales, cost of goods sold and operating costs. The operating segments consist of the Nordics, Core Europe (DE, FR, NL, UK), Rest of Europe and Rest of the World. Operating expenses include fulfilment and marketing costs, and certain costs are allocated according to an allocation key. Other include other costs, depreciation, and amortizations.

### INCOME STATEMENT PER SEGMENT JANUARY – MARCH 2024

SEKm unless otherwise indicated	Nordics	Core Europe	Rest of Europe	Rest of World	Other	Total
Net sales	54.1	114.3	42.1	18.3		228.9
Cost of goods sold	-8.7	-18.1	-6.7	-3.5		-37.0
<b>Gross profit</b>	<b>45.4</b>	<b>96.2</b>	<b>35.4</b>	<b>14.8</b>	<b>0.0</b>	<b>191.9</b>
Operating costs	-26.8	-65.2	-21.4	-17.7	-41.8	-172.9
<b>Operating profit</b>	<b>18.6</b>	<b>31.0</b>	<b>14.0</b>	<b>-2.9</b>	<b>-41.8</b>	<b>19.0</b>
Net financial items	0.0	0.0	0.0	0.0	-22.9	-22.9
<b>PROFIT/LOSS BEFORE TAX</b>	<b>18.6</b>	<b>31.0</b>	<b>14.0</b>	<b>-2.9</b>	<b>-64.7</b>	<b>-3.9</b>

### INCOME STATEMENT PER SEGMENT JANUARY – MARCH 2023

SEKm unless otherwise indicated	Nordics	Core Europe	Rest of Europe	Rest of World	Other	Total
Net sales	58.6	129.8	51.2	20.7		260.3
Cost of goods sold	-9.4	-19.5	-8.1	-3.8		-40.9
<b>Gross profit</b>	<b>49.2</b>	<b>110.3</b>	<b>43.0</b>	<b>16.9</b>	<b>0.0</b>	<b>219.4</b>
Operating costs	-31.1	-69.9	-24.8	-16.9	-43.5	-186.3
<b>Operating profit</b>	<b>18.1</b>	<b>40.3</b>	<b>18.3</b>	<b>0.0</b>	<b>-43.5</b>	<b>33.1</b>
Net financial items	0.0	0.0	0.0	0.0	-23.9	-23.9
<b>PROFIT/LOSS BEFORE TAX</b>	<b>18.1</b>	<b>40.3</b>	<b>18.3</b>	<b>0.0</b>	<b>-67.4</b>	<b>9.2</b>

*Stockholm, 25 April 2024*

Alexander Hars  
Chairman of the board

Martin Blomqvist  
Board member

Max Carlsén  
Board member

Sarah Kauss  
Board member

Nathalie du Preez  
Board member

Fredrik Palm  
CEO

## FOR FURTHER INFORMATION PLEASE CONTACT:

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**CORPORATE IDENTITY NUMBER:**

**559107-2839**



A webcast - in English – will be held 25 April at 09.00 CEST. Fredrik Palm, CEO, and Anna Stähle CFO will present the Quarterly Report.

If you wish to participate via webcast, please use the link below. Via the webcast you are able to ask written questions.

<https://ir.financialhearings.com/desenio-group-q1-report-2024/register>

If you wish to participate via teleconference, please register on the link below. After registration you will be provided phone numbers and a conference ID to access the conference. You can ask questions verbally via the teleconference.

<https://conference.financialhearings.com/teleconference/?id=50048684>

**FINANCIAL CALENDAR**

Annual Report 2023: 8 May 2024

Annual General Meeting 2023: 29 May 2024

Interim Report January – June 2024: 16 July 2024

Interim Report January – September 2024: 24 October 2024

Year-end Report January – December 2024: 18 February 2025

**FINANCIAL REPORTS**

The interim reports are available on the website:

www.deseniogroup.com FNCA Sweden AB is the company's certified adviser.

*This information is information that Desenio Group is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2024-04-25 07:00 CEST.*

## DEFINITIONS OF PERFORMANCE MEASURES

PERFORMANCE MEASURE	DEFINITION	JUSTIFICATION FOR USAGE
<b>Active customers</b>	Number of customers who have completed at least one order during the previous 24-month period.	This key figure measures the Company's ability to attract and retain customers.
<b>Administration and other cost ratio, %</b>	Operating expenses plus other operating income, less costs for goods sold, external handling and distribution costs and external marketing costs divided by net sales, expressed as a percentage.	This key figure gives the Company an indication of external costs, per krona earned, which are not attributable to handling and distribution costs or marketing costs and is thus an indication of the efficiency of the Company's operations.
<b>Marketing cost ratio, %</b>	Marketing cost (excluding acquisition related depreciation and amortization) divided by net sales, expressed as a percentage.	This key figure enables the Company to measure how efficient its marketing activities are and thus constitutes an indication of how efficient the Company's operations are.
<b>Fulfilment cost ratio, %</b>	Fulfilment cost (excluding acquisition related depreciation and amortization), divided by net sales, expressed as a percentage.	This is a key figure and gives the Company an indication of how much of the costs for each krona earned in net sales derives from handling and distribution, and thus constitutes an indication of how efficient the Company's operations are.
<b>Number of visits ('000)</b>	The number of series of page requests from the same device/source during the measurement period (regardless of which device is used).	This key figure enables the Company to measure its scope and customer activity.
<b>Number of orders ('000)</b>	Number of orders placed during the measurement period, adjusted for cancellations, and returns.	Number of orders is a key figure used to measure customer engagement.
<b>Gross margin, %</b>	Gross profit (net sales minus costs of goods sold) divided by net sales, expressed as a percentage.	The gross margin provides an overview of the product margin generated by the current operations.
<b>EBIT margin, %</b>	Operating profit (EBIT) divided by net sales, expressed as a percentage.	Operating margin provides an overview of the result that has been generated by operating activities.
<b>EBITA</b>	Operating profit with add-back of depreciation and write-downs on intangible assets.	EBITA provides an overall picture of profit generated by the business with the reversal of depreciation and write-downs on acquisition-related intangible assets.
<b>EBITA-margin, %</b>	EBITA as a percentage of net sales.	The EBITA margin is a useful measure together with net sales growth to monitor value creation.
<b>EBITDA</b>	Profit before financial items, tax and depreciation and write-downs.	The EBITA margin is a useful measure together with net sales growth to monitor value creation.

## DEFINITIONS OF PERFORMANCE MEASURES CONT.

PERFORMANCE MEASURE	DEFINITION	JUSTIFICATION FOR USAGE
<b>Average order value (AOV)</b>	Transaction-based net sales divided by the number of orders during the measurement period. Average order value is minus discounts, excluding VAT and after returns.	The EBITA margin is a useful measure together with net sales growth to monitor value creation.
<b>Capital expenditures</b>	Investments in tangible and intangible fixed assets, excluding financial fixed assets.	This key figure gives the Company a picture of investments. Including capitalized leasing contracts.
<b>Adjusted EBIT</b>	EBIT excluding items affecting comparability. Items affecting comparability include transaction-related costs, warehouse relocation costs, and termination costs.	Adjusted EBIT is adjusted for items affecting comparability and is thus considered to be a useful measure of the Company's underlying profit generated from operating activities.
<b>Adjusted EBIT-margin, %</b>	Adjusted EBIT divided by net sales, expressed as a percentage.	Adjusted EBIT margin is adjusted for items affecting comparability and is thus considered to be a useful measure of the Company's underlying profit generated from operating activities.
<b>Adjusted EBITA</b>	EBITA excluding items affecting comparability. Items affecting comparability include transaction-related costs, warehouse relocation costs, and termination costs.	The measure is relevant to give an indication of the Company's underlying results generated by operating activities excluding items affecting comparability.
<b>Adjusted EBIT-margin, %</b>	Adjusted EBITA divided by net sales, expressed as a percentage.	The measure is relevant for giving an indication of the Company's underlying profit as a share of net sales, which is generated by operating activities excluding items affecting comparability.
<b>Adjusted EBITDA</b>	EBITDA excluding items affecting comparability. Items affecting comparability include transaction-related costs, warehouse relocation costs, and termination costs.	Adjusted EBITDA is adjusted for items affecting comparability and is thus considered to be a useful measure of the Company's underlying profit generated from operating activities before depreciation.
<b>Net sales growth, %</b>	Annual growth in net sales, expressed as percentage.	This key figure enables the company to compare its growth rate in between different periods and with market as a whole and competitors.
<b>Net debt/net cash</b>	Interest-bearing liabilities reduced by cash and cash equivalents.	Net debt / net cash is a key figure that shows the Company's total indebtedness.







**DESENIO GROUP**